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n the incorporation, qualification and statutory repre-entation of corporations, The Corporation Trust Com-any, C T Corporation System and associated companies deal with and act for lawyers exclusively.

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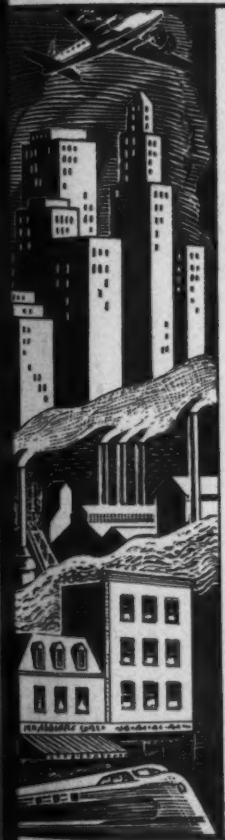

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The
CORPORATION JOURNAL

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FEBRUARY---MARCH 1952

Contents

Recent Decisions

what constitutes doing business

Statutory Definitions of "Doing Business"

SEVERAL LEGISLATURES, in 1951, placed definitions relating to the doing of business upon their statute books.

Pennsylvania, amending its "Business Corporation Law," defined the doing of business as follows:

"For the purposes of this act the entry of any corporation into this commonwealth, for the doing of a series of similar acts, for the purpose of thereby realizing pecuniary benefit or otherwise accomplishing an object or doing a single act in this commonwealth for such purpose, with the intention of thereby initiating a series of such acts shall constitute 'doing business.'" Sec. 1011, subd. c, as enacted by Act of September 26, 1951.)

The Maryland Legislature enacted a statutory definition of what does not constitute doing business in that state in connection with the necessity of qualification by foreign corporations. This definition was given in Section 84 of Chapter 135, Laws of 1951, and reads:

"84. (Limitations on Business.) (a) No foreign corporation shall do any kind of intrastate or interstate or foreign business in this State, the doing of which by domestic corporations is not permitted by the laws of this State.

"(b) Without excluding other activities which may not constitute doing intrastate business in this State, a foreign corporation shall not be considered to be doing intrastate business in this State, for the purposes of this Article, by reason of carrying on in this State any one or more of the following activities:

"(1) Maintaining or defending any action or suit or any administrative or arbitration proceeding, or effecting the settlement thereof or the settlement of claims or disputes.

"(2) Holding meetings of its directors or stockholders or carrying on other activities concerning its internal affairs.

"(3) Maintaining bank accounts.

"(4) Maintaining offices or agencies for the transfer, exchange and registration of its securities, or appointing and maintaining trustees or depositaries with relation to its securities.

"(5) Transacting business exclusively in interstate commerce.

"(6) Conducting an isolated transaction not in the course of a number of transactions of like nature."

A definition similar in most respects to this was enacted by Wisconsin in 1951. (S. B. No. 763, enacting Sec. 180.801.)

In Oklahoma, a like definition was added to the statutes by H. B. 427, Laws of 1951, reading:

"Without excluding other activities which may not constitute transacting or engaging in business in this state, a foreign corporation engaged in investing in loans secured by real estate shall not be considered to be transacting or engaging in business in this state, for the purposes of this Act, by reason of carrying on in this State any one or more of the following activities:

"(1) Securing or collecting real estate mortgage loans due to it or enforcing any rights in property securing the same.

"(2) Maintaining or defending any action or suit relating to debts secured by real estate mortgages.

"(3) Maintaining bank accounts in connection with the collection of real estate mortgage loans."

In Delaware, foreign corporations have been exempted for many years from the necessity of qualification where they (a) engage in the mail order or similar business, accepting orders outside the state and filling them with goods shipped into the state from without the state; (b) make similar shipments pursuant to orders procured by resident or traveling salesmen, approved out of the state, whether by display of samples or otherwise and re-

gardless of whether sales offices are maintained in the state; or (c) sell, by contract consummated outside the state and agree, by such contract, to deliver into from without this State, machinery, plants, or equipment, the construction, erection or installation of which within the state requires the supervision of technical engineers or skilled employees performing services not generally available, and as a part of the contract of sale agree to furnish, such services, and such services only, to the vendee at the time of construction, erection or installation, or otherwise engage in business operations wholly interstate in character. (Sec. 215, General Corporation Law, as amended by H. B. 515, Laws 1951.)

domestic corporations

DELAWARE

Chancery Court denies motions to dismiss and for summary judgment in suit to review election of directors, involving plaintiff's title to stock.

Plaintiff brought this action under Section 31 of the General Corporation Law of Delaware to review an annual stockholders' election of directors. The amended complaint sought to have the Court of Chancery, New Castle County, declare invalid a stockholders' meeting held in April, 1951; also a determination as to the right, power and extent of plaintiff's right to vote at a meeting of the corporate defendant's stockholders and a determination and an order that all shares of stock held by plaintiff should be registered in her name upon the stock ledger and any stock illegally issued be surrendered and cancelled. Defendants moved to dismiss the complaint or for summary judgment thereon or for alternative relief.

The court denied these motions. In the course of its opinion, the court indicated, with respect to defendants' allegation that it had no jurisdiction under Section 31, to determine a question of stock ownership between husband and wife, that this argument misconceived the court's function under that section. Stressing that the action was one to review a stockholders' meeting to elect directors, the court remarked: "In order to perform its statutory function it is necessary for the court to decide whether plaintiff was entitled to vote at such meeting. Where conflicting stock claims arise in connection with the review of an election under Section 31 this court has the power, even though the claimants be not parties, to decide who had the right to vote the stock in dispute. This does not of course constitute a binding determination of ownership as between the conflicting claimants unless they are parties who have been served with effective process." It was concluded that the plaintiff had a sufficient interest to entitle her to maintain this

type of action; also, that defendants were not to be granted a stay of this action because of pending litigation in the New York courts involving issues relating to the same stock.

Rosenfield v. Standard Electric Equipment Corporation et al., Court of Chancery, New Castle County, October 18, 1951. Aaron Finger of Richards, Layton & Finger of Wilmington, John F. Reddy, Jr., and Philip D. Straffin of Engel, Judge, Miller & Sterling of New York City, for plaintiff. John VanBrunt of Killoran & VanBrunt of Wilmington, and Mitchell Salem Fisher and Mendel Zucker of New York City, for defendants. Commerce Clearing House Court Decisions Requisition No. 461733.

NEW JERSEY

Charter amendment revoking voting rights ruled inequitable and unconstitutional.

Plaintiffs sought to enjoin the consummation of a plan to alter the capital stock structure of defendant corporation. Prior to the proposal of the plan, the corporation had an authorized capital stock of 200,000 shares of the par value of $5 each, possessing the usual voting power. There were 5,492½ shares outstanding, a majority being held by one of the defendants as trustee. At some time in the past, this defendant had entered into a royalty agreement with the corporation. The plan stemmed from her willingness to cancel this agreement in exchange for 100 shares of Class B common stock proposed to be issued under it. The plan contemplated that there would be in existence two classes of stock, respectively designated Class A common and Class B common. The Class A shares were to be without any voting power prior to dissolution of the company, and were to be issued share for share for the outstanding stock. Class B stock alone, until the event of dissolution, was to possess the voting power and the entire authorized issue of 100 shares, previously referred to, were to be given to the individual defendant mentioned in exchange for her cancellation of the royalty agreement. The Class B stock was not to be entitled to share in any of the profits of the corporation, nor, apparently, in the assets upon dissolution. The plaintiffs and several other stockholders whose holdings totaled 512 shares voted against the adoption of an amendment to the certificate of incorporation giving expression to the proposed plan.

"The sole question involved," said the Superior Court of New Jersey, Chancery Division, "is the power of the holders of two-thirds of the stock to so change the capital structure as to take away from the plaintiffs their right to vote, which was granted to them by their initial purchase of the stock." The court observed that there was no specific statutory provision which permitted a change of common stock with voting powers to a common stock with no voting powers. After an examination of pertinent decisions, the court concluded that the attempt to divorce the plaintiffs from their right to vote was violative of their constitutional guarantee against the impairment of contracts and that the plan was inequitable to the plaintiffs.

Faunce et al. v. Boost Co. et al., 83 A. 2d 649. Charles A. Cohen of Camden, for plaintiffs. W. Louis Bossle of Camden, for defendants.

VIRGINIA

Upon merger, dissenting stockholder held not entitled to interest prior to the ascertainment of value of his stock.

A question raised by the surviving corporation to a merger of a Virginia and a Delaware corporation, to which certain stockholders had dissented and obtained an adjudication under the Virginia law of the fair value of their stock, was whether the dissenters were entitled to interest, either from the effective date of the merger or from the date of the entry of the decree fixing the value of their stock.

The Supreme Court of Appeals of Virginia, after an examination of the pertinent statutes and decisions, found the statute made no provision for the allowance of interest to the dissenting stockholder on the ascertained cash value of his stock either by the appraisers or by the court in its entry of judgment, the court being authorized to enter judgment only for the ascertained cash value as of the specified time, and that the statute negatived the allowance of interest prior to the ascertainment of the value.

Pittson Co. v. O'Hara et al., 63 S. E. 2d 34. Robert T. Barton, Jr., Wiliam W. Crump and A. C. Epps of Richmond, and David Teitelbaum of New York City, for appellant. John J. Wicker, Jr., of Richmond, Harris J. Griston, Seymour M. Heilbron, George M. Jaffin and Charles Winkelman of New York City, for appellees. *(Appeal filed in the Supreme Court of the United States, June 14, 1951; Docket No. 116. Motion to dismiss granted and appeal dismissed for want of a substantial federal question, October 8, 1951; 72 S. Ct. 38.)*

foreign corporations

ARKANSAS

Service of process sustained where made upon corporation promoting good will for the sale of its products locally.

One of the corporations which was a party defendant, a Delaware corporation not licensed to do business in Arkansas, sought to be dismissed as a party defendant, contending there was lack of jurisdiction over it in this suit in the United States District Court, W. D. Arkansas, Fort Smith Division. The corporation had traveling agents in Arkansas who, while not in fact consummating any sales in that state, carried on activities seeking to promote the sales of its products generally. It also maintained a recreational facility in Arkansas of several hundred acres, where present and prospective customers and others were entertained during the duck season, the object be-

ing to promote the good will of the company.

The court overruled a motion to quash service upon the corporation, concluding that its activities in the state were not merely casual or isolated. "They," the court, "have been systematic and carried on with one end in view, the promotion and increase of the sales of its products to consumers in Arkansas and, while the sale of certain products may have been stressed more than others, yet all of the activities were conducted with one purpose in view."

Green v. Equitable Powder Mfg. Co., 99 F. Supp. 237. Heartsill Ragon and Paul E. Gutensohn of Gutensohn & Ragon of Fort Smith, for plaintiff. Cecil R. Warner of Warner & Warner of Fort Smith, for intervenor. Bruce H. Shaw of Shaw & Shaw of Fort Smith, for defendants.

DISTRICT OF COLUMBIA

Service of process set aside in Federal court action, where made upon attorneys for defendant corporations, acting for companies under retainer agreements only.

The United States District Court for the District of Columbia quashed process which had been served upon attorneys practicing law in the District as agents for the defendant corporations upon the theory that these attorneys were to be regarded as agents for the purpose of service of process upon the corporations. At the time of service, their only relationship to their respective clients was as members of law firms acting as attorneys for the clients under retainer agreements.

Upon appeal, the judgment was affirmed by the United States Court of Appeals, District of Columbia Circuit. That court held that the individuals served were not agents within the meaning of the law, their services falling within the attorney-client relationship.

WICA, Inc. v. WWSW, Inc., et al., 191 F. 2d 503. Eliot C. Lovett of Washington, for appellant. Harry P. Warner, with whom Paul M. Segal was on the brief, of Washington, for appellees.

FLORIDA

Filing of documents for permit to do business held sufficient to enable corporation to maintain suit in state court.

In a mandamus proceeding by the State of Florida on the relation of an unlicensed New York corporation, it was contended that as the company had never qualified to do business in Florida, it was not authorized to litigate any cause in the courts of that state.

The Supreme Court of Florida observed: "It appears that when this question was raised, petitioner immediately filed his application with the Secretary of State for a permit to do business in Florida and with it he submitted all the necessary prerequisites to obtain a certificate of qualification. Under the doctrine announced in *Burton v. Oliver Farm Equipment Sales Co.*, 121 Fla. 140, 163 So. 468, petitioner would be deemed qualified to conduct his suit or transact any other business in the State."

Southern Bell Telephone & Telegraph Company et al. v. State ex rel. Transradio Press Service, Inc., 53 So. 2d 863. Richard W. Erwin, Attorney General, George M. Powell, George E. Owen and Mallory H. Horton, Asst. Attys. General, for appellant. Louis M. Jepeway and John G. Dauber, of Miami, for appellee.

NEW YORK

Corporation engaged solely in interstate commerce, ruled not required to be qualified in order to sue in state court.

Plaintiff unlicensed foreign corporation sued to recover freight charges in connection with the transportation of a large number of truckloads of canned heat from Washington, D. C. to Brooklyn, N. Y., at the request of the defendant. The plaintiff was a motor common carrier authorized by the Interstate Commerce Commission, under the Motor Carrier Act of 1935, to engage in interstate transportation between Washington and New York City. A defense interposed was that, by reason of plaintiff's failure to file or register with the Secretary of State of New York as a foreign corporation, it was precluded from suing in New York. The Supreme Court, Special Term, New York County, Part I, overruled this contention, observing: "Since the record discloses plaintiff to be a foreign corporation duly authorized to engage in interstate commerce, it need not comply with Section 210 of the General Corporation Law."

Brooks Transportation Co., Inc. v. Hillcrea Export & Import Corporation, 106 N. Y. S. 2d 868. Harris J. Klein of New York City, for plaintiff. Leo B. Mittelman of New York City, for defendant. (On motion to vacate warrant of attachment, order reversed, App. Div., First Dept., N. Y. L. J., Oct. 3, 1951, p. 718.)

Court indicates stockholders, in Federal suit to enforce preemptive rights, may not cumulate their holdings for jurisdictional purposes.

Plaintiff, a holder of 50 shares of defendant New Jersey corporation, with a market value of less than $20. each, sought to enjoin, in a New York Federal court, the sale by the corporation of 10,000 of its unissued shares of common stock to its president, upon whom service of process was not made, plaintiff claiming a violation of her preemptive rights.

The United States Court of Appeals, Second Circuit, reversing an order of the District Court for the Southern District, ordered the complaint dismissed for lack of jurisdiction. It noted that plaintiff's interest in only 50, out of approximately 570,000 outstanding shares, put in controversy but a small fraction of the $3,000 required to give the court jurisdiction. "Unless," said the court, "the claims of other stockholders in like situation may be cumulated to do that, the action must be dismissed. We hold that they cannot be cumulated."

Ames v. Mengel Co. et al., 190 F. 2d 344. Harper & Matthews, New York City, for defendant-appellant; James D. Carpenter, Harold Harper and Vincent P. Uihlein of New York City, of counsel. Sidney L. Garwin of New York City, for plaintiff-appellee.

Mere solicitation of out-of-state hotel reservations through local newspaper advertisements, channeled through local reservation clerk also acting for others, ruled not doing business for purpose of service of process.

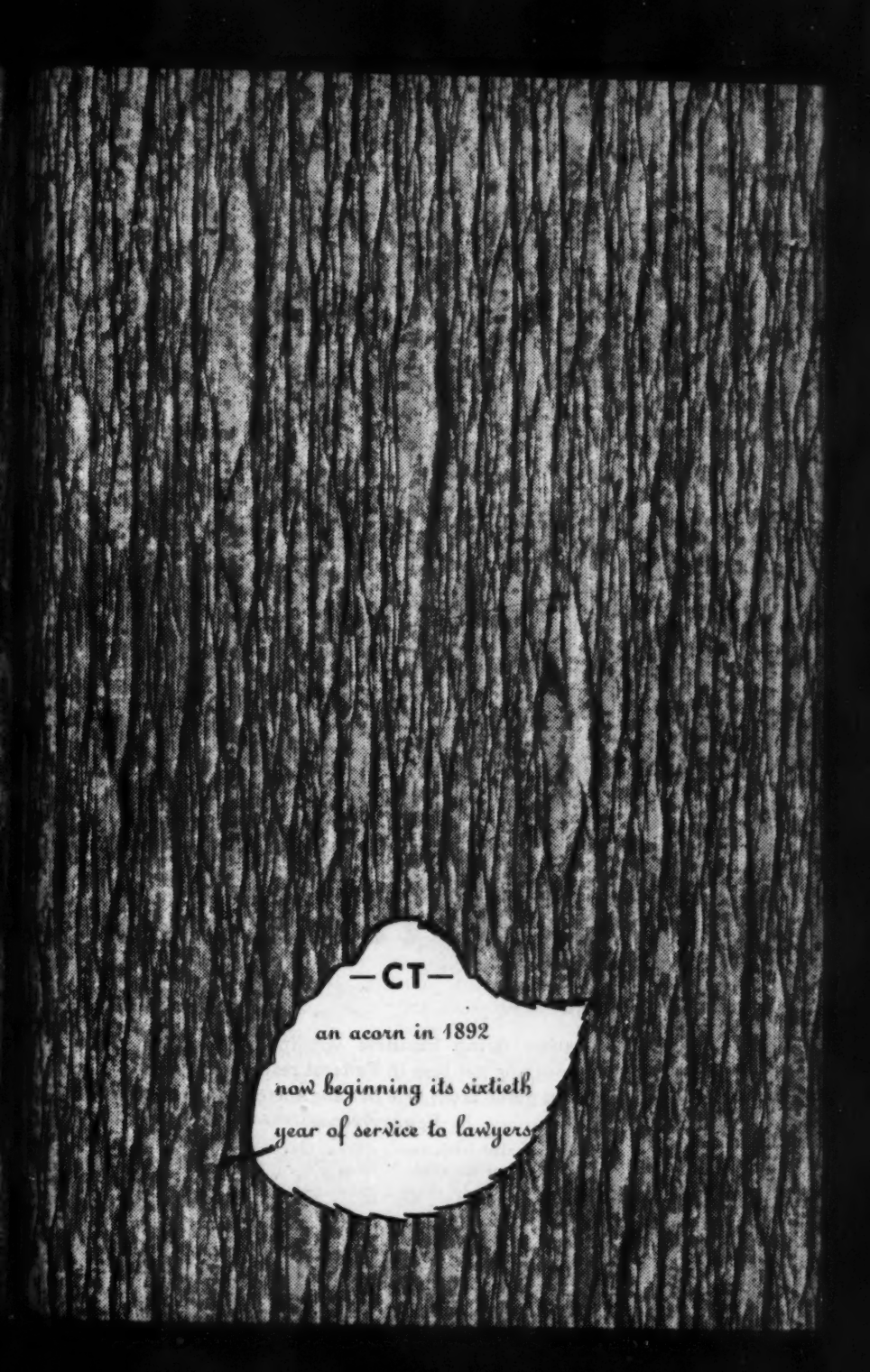
In an action in the United States District Court, Eastern District of New York, based on diversity of citizenship, defendant Florida corporation was successful in having service upon it quashed and the complaint dismissed. Service was made upon its president who was in New York on a temporary visit. The company was regarded as not doing business in New York under circumstances where its activity was confined to the insertion of advertisements in New York City newspapers, which contained a New York City address and telephone number for the making of hotel reservations. These were taken on a contract basis by a person, not an employee of the defendant, who took reservations, not only for defendant's hotel, but also for others. The defendant paid no social security for this person, nor did it withhold any part of her income for tax purposes.

Rosen et al. v. Lord Tarleton Hotel, Inc., United States District Court, Eastern District of New York, August 30, 1951. Joseph P. Carey of New York City, for defendant, appearing specially. O'Neill, Higgins & Latto, by Archie E. Latto, for plaintiff. Commerce Clearing House Court Decisions Requisition No. 461082.

Federal court rules that where there are "continued local activities," the strict requirement of "presence," for purposes of service of process is satisfied.

The Federal District Court had vacated service of summons and complaints and dismissed the complaints for lack of jurisdiction over the person of the defendant Florida corporation. On a date a month prior to the service, defendant's activities within the state had been ample to support a finding that it was "present" within the state. On and after that date, and at the time of service, it was noted that its local activities had been reduced to so few that, taken by themselves, they would not support a finding that it was "present". These reduced activities included the retention of a hotel apartment for the convenience of its representatives "while in New York on solicitation of business or for financing or for their own pleasure." Defendant also continued to keep an account in a New York bank. The defendant argued that it was not "present" when served, while the plaintiffs argued that, since defendant had been subject to suit in person and until a month before, and since the claim arose out of its local activities and it had not wholly withdrawn from the state, it remained liable to service. "That," observed the United States Circuit Court of Appeals, Second Circuit, "was the issue, and the judge decided it in the defendant's favor."

The higher court reversed the orders and judgment of the lower court. It reviewed the development of service of process upon unlicensed foreign corporations, observing that where service is made a short time after the discontinuance of a corporation's principal activities, "it is proper to demand of the defendant some showing why dur-


—CT—
an acorn in 1892
now beginning its sixtieth
year of service to lawyers

ing the interval the situation had so changed that, although it was fair to force it to a trial before it reduced its activities, it had become unfair when the writ was served. In the case at bar the defendant showed nothing of the sort; it rests upon the thesis that, as soon as its activities ceased to be independently enough to subject it to service it ceased to be so subject, until it should once more assume enough activities to make it justiciable. Our answer, as we have said, is that given any continued local activities the strict requirement of "presence" is satisfied, and that the rest is a matter of more or less."

French v. Gibbs Corporation, United States Court of Appeals, Second Circuit, June 7, 1951. Gallop, Climenko & Gould, (George Trosk and Martin I. Shlefstein, of Counsel), of New York City, for appellants. Kirlin Campbell & Keating (Louis J. Gusmano, of counsel), of New York City for appellee. Commerce Clearing House Court Decisions Requisition No. 455672.

SOUTH CAROLINA

Suit dismissed against corporation whose local agent solicited orders in interstate commerce who had no authority to adjust customers' complaints.

Defendant foreign corporation entered a special appearance and moved to dismiss a suit against it. Service of process was made upon a traveling representative of the company who solicited orders for seeds from local merchants, shipped into the state in interstate commerce. He was served at a time when he was ascertaining facts regarding complaints as to seeds previously sold, although he had no authority to make adjustments.

The Supreme Court of South Carolina ruled that the corporation's motion to dismiss should be granted, concluding that it was not doing business in the state in the sense that it was present and subject to the jurisdiction of the courts of the state.

Hoffman v. D. Landreth Seed Co., 66 S. E. 2d 813. Knight & Steele of Chesterfield, for appellant. Leppard & Leppard of Chesterfield, for respondent.

taxation

PENNSYLVANIA

Corporation doing business within and without state, reporting net loss in Federal return, ruled not taxable on gains from sale of tangible capital assets in Pennsylvania.

Defendant company appealed from the action of the fiscal officers of the Commonwealth in determining that there was a corporate net income tax due from it for the last ten months of 1948, amounting to $559.04. Defendant, a

Delaware corporation, engaged in business within and without Pennsylvania, had reported a net operating loss of $83,407.01 to the Federal Government. However, the report showed a gain of $13,976.03 from the sale of tangible capital assets in Pennsylvania. The disputed tax was computed on this amount.

The Court of Common Pleas of Dauphin County entered judgment in favor of the defendant company for the amount of the tax. The court pointed out that the law provided that the tax was to be based upon a portion of the net income of such corporation as "returned to and ascertained by the Federal Government." "It is agreed," observed the court, "that the net income of the defendant as returned to and ascertained by the Federal Government in the present case was a loss of $83,407.01, or, if you please, a negative number. We are unable to comprehend how a net loss can be construed as net income. The tax is levied on each dollar of net income, not on each dollar of the net loss." It was concluded, therefore, that there was no tax due, inasmuch as "when there is a net loss there is no net income to be allocated or apportioned."

Commonwealth of Pennsylvania v. Columbia Steel & Shafting Co.,* 62 Dauphin County Reports 1.

*The full text of this opinion is printed in the **State Tax Reporter**, Pennsylvania, page 10,804.

TENNESSEE

United States Supreme Court affirms judgment holding state sales and use taxes not applicable to Federal cost-plus-fixed-fee contracts.

In *Carbide & Carbon Chemicals Corp. v. Carson*, decided March 9, 1951, by the Tennessee Supreme Court, (The Corporation Journal, November, 1951, page 36), it was held that the Tennessee sales and use taxes did not apply to the sale of articles to contractors used in the performance of contracts with the Atomic Energy Commission, in a suit seeking the recovery of such taxes paid under protest and to enjoin like future collections.

Upon review by the Supreme Court of the United States, this judgment has been affirmed in this and a companion case. The higher court noted that Section 9(b) of the Atomic Energy Act of 1946 provides in part: "The Commission, and the property, activities, and income of the Commission, are hereby expressly exempted from taxation in any manner or form by any State, county, municipality, or any subdivision thereof." It was observed that the constitutional power of Congress to protect any of its agencies from state taxation has long been recognized as applying to those with whom authorized contracts have been made. "Hence," continued the Supreme Court, "if the present contracts which the respondent contractors have with the United States, and the performance thereunder, are 'activities' within the meaning of Section 9(b) of the Act, the immunity is clear. Our view is that they are and that the judgments below must be affirmed."

Carson, Commissioner v. Carbide & Carbon Chemicals Corporation,* Supreme Court of the United States, January 7, 1952.

*The full text of this opinion is printed in the **CCH U. S. Supreme Court Bulletin**, 1951-1952, page 313.

state legislation

Connecticut — As a result of the enactment of Public Act 282, Acts of 1951, hereafter domestic and foreign corporations when filing their Annual Reports with the Secretary of State, will remit a fee of $8. to that official, in lieu of the former $5. remittance. The Secretary of State will continue to certify the duplicate copy and will forward it direct to the proper town clerk, whose $1. fee is included in the $8. which the corporation remits to the Secretary of State.

General — Fifteen states are scheduled to meet in 1952. These are Arizona, California, Colorado, Georgia, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Mississippi, New Jersey, New York, Rhode Island, South Carolina and Virginia.

Idaho — H. B. 187, Laws of 1951, repealed a provision calling for assessment of a merchant's stock in trade on a basis of an averaged value and has the effect of making such property taxable on the general assessment date—the second Monday of January.

Massachusetts — Chapter 565, Laws of 1951, contains provisions authorizing a Massachusetts corporation to change shares without par value to shares with par value.

New Jersey — A corporation, either domestic or foreign, which moves its principal office must file a certificate of the change with the Secretary of State, even if its new address is in the same community, as a result of the enactment of Chapter 293, Laws of 1951.

Chapter 254, Laws of 1951, provides that domestic corporations may be reinstated by unanimous consent of their directors and stockholders, provided that such action is taken not more than a year after the certificate of dissolution is filed. Corporations may secure a certificate of reinstatement for a fee of $25.

Ohio — House Bill 619 of 1951 effected changes in the penalties applicable to foreign corporations transacting business in Ohio without being qualified. The new penalties amount to not less than $250. nor more than $10,000., and in addition the court may require that the corporation pay all the amounts which the corporation should have paid as filing fees and annual franchise taxes, plus interest at 6%. Officers of such corporations are also liable to a fine of not less than $100. nor more than $1,000., or both.

Pennsylvania — H. B. 1303 of 1951 imposes a "property tax" upon certain corporations, measured by income derived from property located or having a situs in the state and from activities carried on there, regardless of whether carried on in intrastate, interstate or foreign commerce. Income taxable under the Corporation Net Income Tax Act of 1935 is exempted.

Foreign nonprofit corporations without capital stock, which have been issued a certificate to do business in the state, are exempted from the payment of the bonus by H. B. 1348 of 1951.

appealed to the supreme court

The following cases previously digested in The Corporation Journal have been appealed to The Supreme Court of the United States.*

CANAL ZONE. Docket No. 355. *Carmack et al. v. Panama Coca-Cola Bottling Co.*, 190 F. 2d 382. (The Corporation Journal, December 1951—January 1952, page 47.) Service of process upon designated process agent. **Petition for writ of certiorari filed, September 27, 1951. Certiorari denied, November 26, 1951.**

MISSISSIPPI. Docket No. 253. *Memphis Steam Laundry Cleaner, Inc. v. Stone*, Mississippi Supreme Court, June 11, 1951. (The Corporation Journal, December—January, 1952, page 54.) Privilege tax applied to soliciting of business for out-of-state laundry—interstate commerce. **Appeal filed, August 17, 1951. Jurisdiction noted, October 8, 1951. Argued, December 3, 1951.**

NEW YORK. Docket No. 360. *Katz v. R. Hoe & Co., Inc. et al.*, 99 N. Y. S. 2d 853, 899; action dismissed, 278 Misc. 766; motion for leave to appeal denied, July 11, 1951, 100 N. E. 2d 196. (The Corporation Journal, October, 1951, page 7.) Corporate reorganization. **Petition for writ of certiorari filed, October 1, 1951. Certiorari denied, November 26, 1951.** (72 S. Ct. 176.)

OHIO. Docket No. 85. *Perkins v. Benguet Consolidated Mining Company*, 93 N. E. 2d 33. (The Corporation Journal, June, 1951, page 349.) Unlicensed foreign corporation—doing business—service of process—suit involving recovery of dividends on stock. **Petition for writ of certiorari filed, May 29, 1951. Certiorari granted, October 8, 1951. Argued, November 28, 1951.**

OHIO. Docket No. 184. *Standard Oil Co. v. Peck et al.*, 155 O. S. 61. (The Corporation Journal, November, 1951, page 34.) Property taxes on boats and barges of an Ohio company used outside the state and machinery and equipment in process of construction. **Appeal filed, July 9, 1951. Jurisdiction noted, October 8, 1951. Argued, January 4, 1952.**

TENNESSEE. Docket Nos. 186 and 187. *Carbide & Carbon Chemicals Corp. v. Carson*, STC ¶ 250-130. (The Corporation Journal, November, 1951, page 36.) State sales and use taxes.—Federal cost-plus-fixed-fee contracts. **Petitions for writs of certiorari filed, July 13, 1951. Certiorari granted and cases transferred to the summary docket, October 15, 1951. Argued, December 5, 1951. Judgment affirmed, January 7, 1952.** (See page 74.)

VIRGINIA. Docket No. 116. *Pittson Co. v. O'Hara*, 191 Va. 886, 63 S. E. 2d 34. (The Corporation Journal, February-March, 1952, page 66.) Corporate merger—stock valuation. **Appeal filed, June 14, 1951. Motion to dismiss granted and appeal dismissed for want of a substantial federal question, October 8, 1951;** 72 S. Ct. 38.

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* Data compiled from **CCH U. S. Supreme Court Bulletin**, 1951-1952.

regulations and rulings

Colorado — The personal property of a private corporation, even though located on lands owned by the United States, is subject to the personal property tax. (Opinion of the Attorney General to the Colorado Tax Commission, State Tax Reporter, Colorado, ¶ 20-101.)

Indiana — A pipe line company which purchases, produces or severs natural gas, and then transports it in its own pipe lines from another state into Indiana, selling the gas to municipalities, utilities, industrial firms and to domestic users is a public utility and is therefore subject to the gross income tax under Sec. 3(e) of the Indiana Gross Income Tax Act. (Opinion of the Attorney General to the Commissioner of Revenue, State Tax Reporter, Indiana, ¶ 15-044.)

Kentucky — If an out-of-state company does an interstate business in Kentucky, through agents, who obtain orders which are filled at the office of the out-of-state company or corporation, and when the orders are accepted, are shipped from the out-of-state corporation to the purchasers, such interstate activities by the company are not taxable in Kentucky. (Opinion of the Attorney General, State Tax Reporter, Kentucky, ¶ .012.)

Minnesota — Nonprofit corporations formed under the Nonprofit Corporation Act, Chapter 550, Laws of 1951, are not required to pay fees to the State Treasurer for the filing of articles of incorporation or amendments. (Opinion of the Attorney General, State Tax Reporter, Minnesota, ¶1-204.)

Montana — A foreign corporation or joint stock company, except a foreign insurance company or a corporation otherwise provided for, qualified to do business in Montana and doing business therein for a previous period of forty years, should file a certificate of renewal of its corporate existence in Montana, under Chapter 5, Laws 1951, and pay a fee based upon the amount of its capital stock and that portion which is represented by the corporate property, capital and assets employed and located in Montana. (Memorandum of Secretary of State.)

North Carolina — Transportation charges paid by a purchaser to a vendor or to the carrier should be included in determining the sales price of property purchased for storage, use or consumption in the state for use tax purposes. (Opinion of the Attorney General to the Commissioner of Revenue, State Tax Reporter, North Carolina, ¶ 65-004.)

Tennessee — The Department of Finance and Taxation is permitted to place a value of $100 per share on no par stock for franchise tax purposes when the taxpayer has failed to indicate the actual value. No par stock may be valued at book value, but such a valuation is to the detriment of the taxpayer, since book value really includes the surplus account. It is proper for no par value stock to be valued at the price actually paid for it when the entire subscription price has been paid in, as this represents the capital stock of the corporation. (Letter, Department of Finance and Taxation, State Tax Reporter, Tennessee, ¶ 301.)

some important matters

For February and March

This Calendar does not purport to be a *complete* calendar of all matters requiring attention by corporations in any given state. It is a condensed calendar of the more important requirements covered by the *State Report and Tax Bulletins* of The Corporation Trust Company. Attorneys interested in being furnished with timely and complete information regarding *all* state requirements in any one or more states, including information regarding forms, practices and rulings, may obtain details from any office of The Corporation Trust Company or C T Corporation System.

Alabama — Annual Franchise Tax Return due between January 1 and March 15.—Domestic and Foreign Corporations.

Income Tax Return and Returns of Information at the source due on or before March 15.—Domestic and Foreign Corporations.

Annual Franchise Tax due April 1, but may be paid without penalty until April 30.—Domestic and Foreign Corporations.

Alaska — Annual Report due within 60 days from January 1.—Domestic and Foreign Corporations.

Income Tax Return due on or before March 15.—Domestic and Foreign Corporations.

Arizona — Income Tax Return and Returns of Information at the source due on or before March 15.—Domestic and Foreign Corporations.

Annual Statement of Mining Companies due between January 1 and April 1.—Domestic and Foreign Corporations engaged in mining.

Arkansas — Franchise Tax Report due on or before March 1.—Domestic and Foreign Corporations.

California — Returns of Information at the source and Returns of Tax Withheld at the source due on or before February 15.—Domestic and Foreign Corporations.

Franchise (Income) Tax Return due on or before March 15.—Domestic and Foreign Corporations.

Colorado — Returns of Information at the source due on or before February 15.—Domestic and Foreign Corporations.

Annual Report due on or before March 15.—Domestic and Foreign Corporations.

Connecticut — Annual Report due on or before February 15 (if corporation was organized or qualified between January 1 and June 30 of any previous year). Domestic and Foreign Corporations.

Income (Franchise) Tax Return due on or before April 1.—Domestic and Foreign Corporations.

District of Columbia — Returns of Information at the source due on or before February 15.—Domestic and Foreign Corporations.

Dominion of Canada — Returns of Information at the source due on or before February 29.—Domestic and Foreign Corporations.

Georgia — Report of Resident Stockholders and Bondholders due on or before March 1.—Domestic and Foreign Corporations.

Income Tax Return and Returns of Information at the source due on or before March 15.—Domestic and Foreign Corporations.

Intangible Property Tax Return due on or before March 15.—Domestic and Foreign Corporations.

Idaho — Income Tax Return and Returns of Information at the source due on or before March 15.—Domestic and Foreign Corporations.

Illinois — Annual Report due between January 15 and February 28.—Domestic and Foreign Corporations.

Iowa — Income Tax Return and Returns of Information at the source due on or before March 31.—Domestic and Foreign Corporations.

Return of Tax Withheld at the source due on or before March 31.—Domestic and Foreign Corporations.

Kansas — Returns of Information at the source due on or before March 1.—Domestic and Foreign Corporations.

Annual Report and Franchise Tax due on or before March 31.—Domestic and Foreign Corporations.

Kentucky — Returns of Information at the source due on or before March 15.—Domestic and Foreign Corporations.

List of Resident Stockholders and Bondholders due on or before March 15.—Domestic and Foreign Corporations.

Louisiana — Returns of Information at the source due on or before February 15.—Domestic and Foreign Corporations.

Capital Stock Statement due on or before March 1.—Foreign Corporations.

Maine — Annual License Fee due on or before March 1.—Foreign Corporations.

Maryland — Returns of Information at the source due on or before February 15.—Domestic and Foreign Corporations.

Massachusetts — Returns of Information at the source due on or before March 1.—Domestic and Foreign Corporations.

Minnesota — Returns of Information at the source due on or before March 1.—Domestic and Foreign Corporations.

Income Tax Return due on or before March 15.—Domestic and Foreign Corporations.

Annual Report due between January 1 and April 1.—Foreign Companies.

Mississippi — Returns of Information at the source due on or before March 15.—Domestic and Foreign Corporations.

Income Tax Returns due on or before March 15.—Domestic and Foreign Corporations.

Missouri — Returns of Information at the source due on or before March 1.—Domestic and Foreign Corporations.

Annual Franchise Tax Report due on or before March 1.—Domestic and Foreign Corporations.

Income Tax Returns due on or before March 31.—Domestic and Foreign Corporations.

Montana — Annual Report of Capital Employed due between January 1 and March 1.—Foreign Corporations qualified after February 27, 1915.

Annual Report of Net Income due on or before March 31.—Domestic and Foreign Corporations.

Annual Report due on or before March 1.—Domestic and Foreign Corporations.

Returns of Information at the source due on or before March 15.—Domestic and Foreign Corporations.

Nebraska — Statement to Tax Commissioner due on or before March 10.—Domestic and Foreign Corporations.

Nevada — Annual Statement of Business due not later than the month of March.—Foreign Corporations.

New Hampshire — Annual Return due on or before April 1.—Domestic and Foreign Corporations.

Franchise Tax due on or before April 1.—Domestic Corporations.

New Mexico — Franchise Tax Return due on or before March 15.—Domestic and Foreign Corporations.

Returns of Information at the source due on or before April 1.—Domestic and Foreign Corporations.

New York — Returns of Information at the source due on or before February 15.—Domestic and Foreign Corporations.

Annual Franchise Tax Report and Tax of Real Estate Corporations due between January 1 and March 1.—Domestic and Foreign Real Estate Corporations.

Returns of Tax Withheld at the source due on or before March 1.—Domestic and Foreign Corporations.

North Carolina — Income Tax Return and Returns of Information at the source due on or before March 15.—Domestic and Foreign Corporations.

Intangible Property Tax Return due on or before March 15.—Domestic and Foreign Corporations.

North Dakota — Income Tax Return and Returns of Information at the source due on or before March 15.—Domestic and Foreign Corporations.

Annual Report due between January 1 and April 1.—Foreign Corporations.

Ohio — Annual Franchise Tax Report due between January 1 and March 31.—Domestic and Foreign Corporations.

Annual Statement of Proportion of Capital Stock due between January 1 and March 31.—Foreign Corporations.

Oklahoma—Returns of Information at the source due on or before February 15.—Domestic and Foreign Corporations.

Income Tax Return due on or before March 15.—Domestic and Foreign Corporations.

Oregon—Returns of Information at the source due on or before February 15. —Domestic and Foreign Corporations.

Pennsylvania—Capital Stock Tax Report and Tax, Corporate Loans Report and Tax and Bonus Tax Report due on or before March 15.—Domestic Corporations.

Franchise Tax Report and Tax, Corporate Loans Tax Report and Bonus Tax Report due on or before March 15.—Foreign Corporations.

Rhode Island—Annual Reports due during February.—Domestic and Foreign Corporations.

South Carolina—Annual License Tax Report and Tax due during February.—Domestic and Foreign Corporations.

Income Tax Return and Returns of Information at the source due on or before March 15.—Domestic and Foreign Corporations.

South Dakota—Annual Capital Stock Report due before March 1.—Foreign Corporations.

Texas—Annual Franchise Tax Report due between January 1 and March 15.—Domestic and Foreign Corporations.

United States—Returns of Information at the source due on or before February 15.—Domestic and Foreign Corporations.

Income Tax Return due on or before March 15.—Domestic and Foreign Corporations having an office or place of business in the United States.

Utah—Returns of Information at the source due on or before February 15.—Domestic and Foreign Corporations.

Income (Franchise) Tax Return due on or before March 15.—Domestic and Foreign Corporations.

Vermont—Returns of Information at the source and Returns of Tax Withheld at the source due on or before February 15.—Domestic and Foreign Corporations.

Annual Report due on or before March 1.—Domestic Corporations.

Extension of Certificate of Authority due on or before April 1.—Foreign Corporations.

Virginia—Returns of Information at the source due on or before February 15. —Domestic and Foreign Corporations.

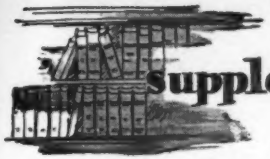
Annual Franchise Tax due March 1.—Domestic Corporations.

Annual Registration Fee due on or before March 1.—Domestic and Foreign Corporations.

Wisconsin—Income Tax Return and Returns of Information at the source due on or before March 15.—Domestic and Foreign Corporations.

Privilege Dividend Tax Return and Tax due on or before March 15.—Domestic and Foreign Corporations.

Annual Report due between January 1 and March 31.—Domestic and Foreign Corporations.



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